

Exhibit 300: Capital Asset Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview & Summary Information

Date Investment First Submitted: 2009-06-30
Date of Last Change to Activities: 2012-07-27
Investment Auto Submission Date: 2012-02-27
Date of Last Investment Detail Update: 2012-02-27
Date of Last Exhibit 300A Update: 2012-08-23
Date of Last Revision: 2012-07-27

Agency: 021 - Department of Transportation **Bureau:** 12 - Federal Aviation Administration

Investment Part Code: 01

Investment Category: 00 - Agency Investments

1. Name of this Investment: FAAXX612: System Approach for Safety Oversight (SASO/AVS)

2. Unique Investment Identifier (Ull): 021-189475443

Section B: Investment Detail

- 1. Provide a brief summary of the investment, including a brief description of the related benefit to the mission delivery and management support areas, and the primary beneficiary(ies) of the investment. Include an explanation of any dependencies between this investment and other investments.**

Using a two-phased approach, SASO puts in place new business processes and automation tools that will be used by Flight Standards Service (AFS) aviation safety inspectors (ASIs). ASIs are responsible for oversight of nearly the entire civil aviation industry that uses America's National Airspace System. Phase I, which is complete, evaluated and re-engineered existing AFS business processes to incorporate system safety practices, and ensured that business process changes are facilitated by the transfer of knowledge, skills, tools, processes, systems, and methods for all stakeholders involved in the changes. Phase II is development and implementation. Oversight processes are redesigned for efficiency and integrated with system safety principles; tools and automation technology is developed and integrated into enterprise systems to support ASIs; and change management techniques are used, such as communications and training, to educate ASIs and properly transition the workforce. Phase II is further broken into two sub-phases, IIa and IIb. The scope for Phase IIa is development and implementation of the business process re-engineering and automation technology to support the Code of Federal Regulations (14 CFR) Parts 121 (air carriers), 135 (commuter and on-demand operators) and 145 (repair stations). Phase IIb completes implementation of business process re-engineering, change management, and IT automation to support all other CFR Parts for which AFS has responsibility and brings AFS into full compliance with safety management system principles and directives. The primary

beneficiary of this investment will be the American flying public. This program has dependency with Regulation and Certification Infrastructure for System Safety (RCISS), a program that provides the IT infrastructure for the SAS.

2. How does this investment close in part or in whole any identified performance gap in support of the mission delivery and management support areas? Include an assessment of the program impact if this investment isn't fully funded.

As the regulator of a major segment of the U.S. aviation industry, AFS must continually strive to improve aviation safety. Today's safety oversight system is stove piped, reactive in nature, and "regulatory compliance-based". While many technical and human factors problems contributing to accident rates have been resolved, remaining are more complex organizational factors requiring additional systems-based, data-driven analysis and assessment for their resolution. Increases in technical and operational complexity of aviation operations and introduction of new technologies further stress today's oversight system. SASO will make the system safer and anticipate future needs and challenges. It will implement a more structured, data-driven risk-based oversight system that will use hazard identification and risk assessment strategies to formulate surveillance plans and target FAA resources. The difference between the current regulatory compliance-based oversight systems and the reengineered hazard and risk-based oversight system that SASO puts in place is the performance gap SASO is closing. The scope of the investment includes reengineering AFS business processes and consolidating 56 AFS applications into the appropriate number of enterprise systems that serve 4,800 FAA Aviation Safety employees, in 8 regions, at headquarters and approximately 120 field offices, and more than 25,000 aviation industry professionals managing aviation safety throughout the United States. It leverages technology instead of increasing oversight personnel as budgetary pressures constrain personnel growth. By implementing SASO via the SAS, AFS expects to contribute to reducing the commercial air carrier fatalities per 100 million persons on board by 24 percent over 9-year period (2010-2018), no more than 6.2 in 2018 and to reduce the general aviation fatality rate to less than 1 fatality per 100,000 flight hours by 2018. Less than full funding will likely delay system implementation and threaten the FAA strategies and metrics achievement.

3. Provide a list of this investment's accomplishments in the prior year (PY), including projects or useful components/project segments completed, new functionality added, or operational efficiency achieved.

The SASO program is in the solution development and implementation phase (IIa). It achieved two acquisition milestones in PY2011, Critical Design Review Wave #1 (December, 2010) and Critical Design Review Wave #2 (June, 2011). Projects and activities supporting the accomplishment of these milestones include business process review in preparation for business process reengineering, change management and implementation, system alignment and enterprise integration to develop the AFS SAS. In February and March, 2011, an Executive Steering Committee reviewed progress and re-validated program requirements. Finally the program also began investment analysis of phase (IIb) with a kickoff meeting in July, 2011.

4. Provide a list of planned accomplishments for current year (CY) and budget year (BY).

The SASO program plans to complete the following projects in CY2012 and BY2013: Project 1 - AFS SAS Design, Project 2 – Development Integration and Test, Project 3 – Change Management and Implementation, Project 4 – Deployment. The goal of the Design project is to finalize the design of the AFS Safety Assurance System (SAS). This is the last of the design review phases that commenced in 2010. Successfully accomplishing this project will enable the program to move to development, Integration and test. Preliminary software development of the AFS SAS is accomplished in conjunction with finalizing system design requirements. The goal of the Development, Integration and Test project is to formally test new business processes utilizing the AFS SAS automation tool prototypes and to evaluate their performance at AFS key sites. These sites have been carefully selected to test the range of environments found in the total population of approximately 120 AFS field sites dispersed throughout the United States. The project is broken into overlapping phases to facilitate parallel development and testing. Each phase has specific requirements and goals to meet during software development, integration and testing. Corrective actions identified for each phase will be remedied and incorporated into the successive phase. The goal of the Change Management and Implementation project is to prepare the workforce for successful transition to the new system. Cultural and organizational changes associated with the reengineering of Flight Standards Service oversight business processes are implemented in conjunction with automation. Training is designed, developed and delivered to ensure the workforce learns to properly use new automation tools. The goal of the Deployment project is to implement the AFS SAS at headquarters and approximately 120 AFS field sites. Support activities such as planning operations and maintenance, logistics and FAA Enterprise Data Center configuration to host the new system are completed. Finally, the program will finish investment analysis of phase IIb, complete documentation, and present its results to the FAA's Joint Resources Council for final investment decision.

5. **Provide the date of the Charter establishing the required Integrated Program Team (IPT) for this investment. An IPT must always include, but is not limited to: a qualified fully-dedicated IT program manager, a contract specialist, an information technology specialist, a security specialist and a business process owner before OMB will approve this program investment budget. IT Program Manager, Business Process Owner and Contract Specialist must be Government Employees.**

2008-03-10

Section C: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.C.1 Summary of Funding

	PY-1 & Prior	PY 2011	CY 2012	BY 2013
Planning Costs:	\$18.9	\$2.6	\$2.6	\$4.3
DME (Excluding Planning) Costs:	\$81.1	\$23.4	\$23.6	\$23.0
DME (Including Planning) Govt. FTEs:	\$4.9	\$0.5	\$0.6	\$0.6
Sub-Total DME (Including Govt. FTE):	\$104.9	\$26.5	\$26.8	\$27.9
O & M Costs:	\$0.0	\$0.0	\$4.5	\$6.8
O & M Govt. FTEs:	\$0.0	\$0.3	\$0.3	\$0.3
Sub-Total O & M Costs (Including Govt. FTE):	0	\$0.3	\$4.8	\$7.1
Total Cost (Including Govt. FTE):	\$104.9	\$26.8	\$31.6	\$35.0
Total Govt. FTE costs:	\$4.9	\$0.8	\$0.9	\$0.9
# of FTE rep by costs:	37	5	5	5
Total change from prior year final President's Budget (\$)		\$-0.1	\$-0.1	
Total change from prior year final President's Budget (%)		-0.39%	-0.19%	

2. If the funding levels have changed from the FY 2012 President's Budget request for PY or CY, briefly explain those changes:

For FY13 \$21M in acquisition funding is requested to complete SASO in FY22, including Safety Assurance System software tool, implementation, training and program management. This is a reduction of \$2M from FY12 President's Budget. For FY13, \$2M is requested to begin awarding contracts for Business Process Re-engineering and Change Management Implementation for SASO-IIb. To complete SASO in FY22, SASO-IIb needs contracts in place October 1, 2013. This is a net zero change in lifecycle funding.

Section D: Acquisition/Contract Strategy (All Capital Assets)

Table I.D.1 Contracts and Acquisition Strategy

Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value (\$M)	Type	PBSA ?	Effective Date	Actual or Expected End Date
Awarded		DTFAWA-07-00028									
Awarded		DTFAWA-07-D-00029									

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

All SASO contracts include EVM as a contract requirement.

Exhibit 300B: Performance Measurement Report

Section A: General Information

Date of Last Change to Activities: 2012-07-27

Section B: Project Execution Data

Table II.B.1 Projects

Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost (\$M)
A	AFS SAS Design	AFS Safety Assurance System (SAS) is designed.			
B	SAS Development, Integration & Test	Business processes and automation software for the SAS are developed, tested and evaluated.			
C	Change Management & Implementation	Workforce outreach, training design, development and delivery, and transition planning, communications.			
D	AFS SAS Deployment	Automation software is final tested, completed and installed.			

Activity Summary

Roll-up of Information Provided in Lowest Level Child Activities

Project ID	Name	Total Cost of Project Activities (\$M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance (\$M)	Cost Variance (%)	Total Planned Cost (\$M)	Count of Activities
A	AFS SAS Design							
B	SAS Development, Integration & Test							

Activity Summary

Roll-up of Information Provided in Lowest Level Child Activities

Project ID	Name	Total Cost of Project Activities (\$M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance (\$M)	Cost Variance (%)	Total Planned Cost (\$M)	Count of Activities
C	Change Management & Implementation							
D	AFS SAS Deployment							

Key Deliverables

Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
A	Wave #3 Design	All tasks and activities, including BPR, regarding the design and preliminary development of the SAS automation products, in conjunction with Volpe. All tasks and activities associated with preparing for and executing Critical Design Review (CDR) Wave #3. APB MILESTONE	2011-12-30	2012-01-31	2012-01-31	182	-32	-17.58%

Section C: Operational Data

Table II.C.1 Performance Metrics								
Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency

NONE